



Remarks Prepared For Delivery

The Honorable Jovita Carranza
Deputy Administrator
U.S. Small Business Administration

Delivered at the

26th ANNUAL MED WEEK CONFERENCE
SBA Breakfast

Washington, D.C.

Friday, September 5, 2008
7:30 A.M.

Introduction

Thank you for that very kind introduction.

As an Hispanic businesswoman who was nurtured – like many of you -- in the private sector, and who rose through the ranks at UPS, I take special delight to be here today with so many good people who both embody and promote what MED Week is about: minority entrepreneurship.

What we are doing here this week would please President Ronald Reagan, who 25 years ago came up with the idea of an annual conference to promote small business and entrepreneurship among minority Americans. As he noted:

- *The talents, insights, and hard work of minority Americans are adding to our Nation's technological prowess, providing us with new solutions for important problems and creating jobs in many industries, some of which did not even exist only a few years ago.*

His observation then, when minorities owned about 7 percent of all U.S. business enterprises, is even more

poignant today as that percentage has risen substantially, to greater than 18 percent.

And President Reagan, the great story teller, knew what you and I know: that behind the statistics are the compelling personal narratives of minority business owners whose lives and families have been enriched through entrepreneurship, hard work, and dedication to building a profit-making enterprise.

These business owners have created jobs not only for themselves, but also for many others. In some cases, entire communities have been transformed because of the economic vision, risk-taking, sweat, and courage of real men and women that are often obscured by the numbers.

And the stories that weave through the lives of minority entrepreneurs is about more than economics. As President Bush has said:

- *If you own something, you have a vital stake in the future of our country. The more ownership there is in America, the more vitality there is in America, and the more people have a vital stake in the future of this country.*

This is why this morning we are going to recognize and honor three individuals that have not only become stakeholders in a business, but stakeholders in this great country that is America.

We will be naming:

- The National Minority Business Person of the Year
- The 8(a) Graduate of the Year; and
- The SBA Administrator's Leadership Award
- Why We Honor Entrepreneurship

But before I open the envelopes and announce the winners, let me briefly explain why we make such a big deal of small business and minority entrepreneurship.

The United States, after all, is a country of entrepreneurs. She was built by risk takers, by entrepreneurs, and by men and women with vision.

You might say entrepreneurship in our DNA. Following a trend line that began in the post-Civil War Era, the United States has become an economic

powerhouse second to none on the strength of self-reliant, self-motivated, and independent citizens like the three will honor this morning – and all of you.

And today, owning and working for a small business is becoming a way of life for increasing numbers of Americans. Over the last three decades, the number of employees at Fortune 500 companies has declined, while the number of Americans who are self-employed or working for small firms has increased significantly.

That's not surprising, when we consider that over time small businesses create between 60 and 80 percent of net new jobs.

That's particularly impressive given that 8.3 million new jobs have been created in our country since August 2003.

In addition, many corporate icons today – especially those on the cutting edge of innovation and profitability -- were small firms a generation ago. Apple Computer, Intel, and FedEx are prime examples.

In fact, three-quarters of Fortune 100 companies were not even on the list 25 years ago. That is the real business story of the last half century.

Small businesses drive our economy in other ways as well. They

- Employ half of the private sector workforce;
- Account for half of nonfarm GDP;
- Are the key drivers of innovation, generating 13 times as many patents per employee as their larger competitors;
- And especially important given the focus of this year's MED Week: Small businesses account for almost 30 percent of all our exports and about 46 percent of our exports to the six countries in CAFTA.

(This explains why at MED Week this year, five of our key note speakers are exploring the promise of international trade for small business.)

But there is another side of small business that often goes unreported. Small business formation and growth changes the game for the better for those

Americans living in “economically challenged” areas of the country. Small business offers the promise of real jobs, investment, and wealth creation in neighborhoods and communities that need them the most. These are in many cases localities with high rates of welfare dependency and unemployment – often in rural and inner-city markets.

When small businesses put down roots in these struggling communities, they can play a key role in helping some residents escape welfare dependency and despair through productive work.

These are among the reasons why President Bush has worked so hard to break down barriers – often misguided interventionist public policies -- so that entrepreneurs can thrive and the free market can deliver its wonders.

Whether we are talking about cutting tax rates, reducing regulations, securing free-trade agreements, or ensuring greater access to health insurance, President Bush is committed to doing more to allow small businesses to grow and prosper in our time.

And these are the reasons why I am so excited to be a part of SBA, because our mission is all about

promoting and supporting small business -- including minority-owned businesses -- on every front whether that be loans, business counseling advice, entrepreneurship, or federal contracting. Our programs are all about helping you succeed.

And Now the Awards

Now, let's get down to the business of our breakfast and acknowledge those exceptional individuals that embody minority entrepreneurship at its best.

First, it is my distinct distinct pleasure to personally congratulate our National Minority Business Person of the Year: George Burciaga, President of smartTECHS.net Inc. of Chicago.

George, who sold chewing gum on the streets of Chicago's tough Pilsen neighborhood when he was seven years old, started this one-man IT firm in 1998 in his apartment at the age of 23.

The firm started out offering custom full technology life-cycle solutions to investment banking and beverage companies. By 2002, the business had expanded to include IT services in the public sector, including the municipal governments of Chicago and

New Orleans. The now eight-employee company recorded revenues of \$2.6 million in 2006 and approximately \$8.8 million in contracts for 2008.

[George to offer his remarks]

Our second award, our 8(a) Graduate of the Year, goes to Joan Yang, president of Rand & Jones Enterprises Company Inc., of Buffalo, New York.

Yang is a graduate of SBA's 8(a) Business Development program – a business development program that provides management and technical assistance, and assistance in identifying federal contracting opportunities to socially and economically disadvantaged businesses.

After starting her company in 1985, Joan has built this HUBZone-certified, woman-owned, small and disadvantaged full-service general construction firm and building-materials supplier into a \$15 million company.

R & J has completed more than \$70 million in construction projects, has expanded its portfolio to include Real Estate Acquisition & Development, and

is considered the contractor of choice for many local and federal agencies.

[Joan to offer his remarks]

And now for the that recognizes outstanding efforts and unwavering Administrator's Leadership Award commitment on behalf of the nation's minority small business community.

This year's honoree goes to Jeanette L. Brown, Director for the Office of Small Disadvantaged Business Utilization (OSDBU) at the U.S. Environmental Protection Agency.

At EPA, Mrs. Brown is responsible for ensuring that small, small disadvantaged and women-owned businesses compete for and win a good share of contracting opportunities. Her office develops policies that aid minority and women-owned firms in doing business with the EPA.

Formerly a director of the SBA's 8(a) Business Development program, Jeanette is responsible for internal training programs that enhance the capabilities of disadvantaged firms and help them

become more competitive and viable in the EPA procurement arena.

[Jeanette to offer her remarks]

Conclusion

Surely, the achievements of George, Joan, and Jeanette should inspire and motivate all of us here this morning.

Their personal stories illustrate how wide the doors are open for business to minorities in America. Their business success demonstrates how job growth, wealth creation, and innovation are enriching the lives of families and communities. They are stakeholders in the economy and stakeholders in the future of America.

So as you leave Washington after MED Week and reflect upon how to grow your business -- or how your dream can become a reality -- remember how these three achieved their dreams.

Keep in mind that America needs your ideas, your creativity, and your courage. America needs the passion and enthusiasm that I see in this room.

Just like George, Joan, and Jeanette, you can start, grow, and develop a business -- especially if you take advantage of all the resources, contacts, and insight that MED Week has to offer.

And together, minority entrepreneurs can build upon the gains we've experience since 1983 and continue to create new opportunities for all Americans.

Thank you.